

MAYOR'S BUDGET ADDRESS FY 2002

GOOD AFTERNOON: CHAIRMAN JONES, MEMBERS OF THE MEMPHIS CITY COUNCIL, AND FELLOW MEMPHIANS.

TODAY I WANT TO TALK ABOUT THE BUSINESS OF CITY GOVERNMENT THAT *DOESN'T* MAKE HEADLINES - OUR *TRUE* PRIORITIES B SCHOOLS, FIRE, POLICE, GARBAGE PICK-UP, SEWERS, ROADS, PARKS B THE DAY-TO-DAY BUSINESS OF CITY HALL.

THESE ARE THE THINGS TO WHICH WE DEDICATE MORE THAN 70% OF OUR BUDGET. THEY ARE NOT VERY GLAMOROUS. AND THEY GENERALLY DON'T MAKE HEADLINES. BUT THEY ARE ABSOLUTELY CRITICAL TO QUALITY OF LIFE IN OUR CITY. AND THE GOOD NEWS IS THAT, FOR THE MOST PART, CITIZENS SAY WE ARE CONDUCTING THE BUSINESS OF LOCAL GOVERNMENT B *THEIR* BUSINESS B VERY WELL.

THIS YEAR'S MEMPHIS POLL SHOWS, ONCE AGAIN, THAT CITIZENS FEEL VERY POSITIVE ABOUT CITY SERVICES AND OUR PUBLIC POLICIES. EIGHTY-ONE PERCENT OF CITIZENS AGREE THAT OVERALL THE CITY IS DOING A GOOD JOB OF DELIVERING SERVICES. EIGHTY-ONE PERCENT ALSO FEEL THAT THEIR NEIGHBORHOOD WILL BE AS GOOD OR BETTER PLACE TO LIVE NEXT YEAR. CITIZENS FEEL MORE POSITIVE ABOUT THEIR PERSONAL SAFETY, THEY PERCEIVE FEW PROBLEMS IN THEIR NEIGHBORHOODS, THEY RANK THE PROMPTNESS OF GARBAGE COLLECTION AS VERY POSITIVE, AND THEY BELIEVE PARK SERVICES ARE IMPROVING.

OUR 6500 EMPLOYEES ARE DOING THEIR JOBS ON BEHALF OF OUR CITIZENS, AND THEY ARE DOING THEM WELL. ACCORDING TO THE POLL, MEMPHIANS GIVE HIGHEST PRIORITY TO FIRE PROTECTION, CRIME PROTECTION AND PUBLIC SCHOOLS. AND OUR BUDGET REFLECTS THESE PRIORITIES.

NOT ONLY ARE THE CITIZENS OF MEMPHIS RECOGNIZING THE WORK WE ARE DOING IN DELIVERING QUALITY OF LIFE SERVICES. SO, TOO, IS THE GREATER MEMPHIS ASSOCIATION FOR QUALITY. AS YOU KNOW, THE CITY OF MEMPHIS HAS JUST WON THE LEVEL III LEADERSHIP QUALITY AWARD.

THIS AWARD RECOGNIZES THE FACT THAT THE CITY HAS REACHED THE HIGHEST LEADERSHIP LEVEL ON ITS WAY TO WINNING, THE HIGHEST HONOR, THE PYRAMID. THE QUALITY AWARDS WERE DEVELOPED TO HONOR BUSINESSES. THE PYRAMID HAS BEEN WON BY FEDEX, BUCKMAN LABS, METHODIST HEALTH CARE, SMITH & NEPHEW B SOME OF OUR BEST CORPORATE CITIZENS. THAT'S GREAT COMPANY FOR GOVERNMENT TO BE IN, AND AGAIN, I WANT TO RECOGNIZE OUR 6500 EMPLOYEES AND OUR QUALITY COORDINATING COUNCIL WHOSE MEMBERS ARE HERE WITH ME TODAY.

THERE IS ONE MORE INDEPENDENT MEASURE OF THE JOB WE ARE DOING IN RUNNING CITY GOVERNMENT, AND THAT IS OUR BOND RATING. I AM PLEASED TO REPORT THAT, WHILE ACHIEVING THESE HIGH SERVICE RATINGS, THE CITY OF MEMPHIS CONTINUES TO MANAGE ITS FINANCES CONSERVATIVELY.

WE MAINTAIN A DOUBLE-A BOND RATING, AND OUR RESERVES ARE AT \$53 MILLION. WE PROPOSE SPENDING NOTHING FROM OUR GENERAL FUND RESERVES NEXT YEAR, AND WE PROPOSE NO INCREASE IN OUR TAX RATE. IN ADDITION, OUR SEWER FEES, WHICH ARE THE LOWEST AMONG 150 CITIES, WILL REMAIN THE SAME, WITH NO INCREASE.

LET'S TAKE A QUICK LOOK AT SOME OF THE HIGHLIGHTS OF THE BUDGET WE PROPOSE FOR NEXT FISCAL YEAR - WHICH INCLUDES A \$442 MILLION OPERATING AND A \$183 MILLION CAPITAL IMPROVEMENT BUDGET.

LET ME START WITH OUR TOP-RATED DIVISION, FIRE SERVICES, WHICH ACCOUNTS FOR 21 PERCENT OF OUR GENERAL FUND SPENDING. CITIZENS UNDERSTAND THE IMPORTANCE OF FIRE SAFETY, AND TO MAKE SURE THAT WE CONTINUE TO DELIVER STAND-OUT FIRE SERVICES, WE WILL OPEN OUR STATE-OF-THE-ART FIRE TRAINING FACILITY TO TRAIN NEW RECRUITS AND FIRE PERSONNEL IN THE VERY LATEST TECHNIQUES.

POLICE SERVICES IS THE OTHER WAY IN WHICH WE PROTECT CITIZENS, AND IT IS THE LARGEST SINGLE EXPENDITURE FROM OUR GENERAL FUND BUDGET AT \$154 MILLION OR 35% OF THE TOTAL. WHILE MOST OF THE NEWS FROM THE MEMPHIS POLL IS GOOD, THERE ARE STILL AREAS IN WHICH WE *MUST* IMPROVE, AND THIS IS ONE OF THEM.

WHAT DO YOU THINK IS THE NUMBER ONE COMPLAINT CITIZENS HAVE ABOUT MEMPHIS? SPEEDING ON NEIGHBORHOOD STREETS. THIS IS A LONG-STANDING COMPLAINT, AND WE ARE DETERMINED TO GET THIS PROBLEM UNDER CONTROL. IN ADDITION TO INSTALLING TRAFFIC CALMING MEASURES, WE WILL INCREASE OUR TRAFFIC ENFORCEMENT EFFORTS.

CITIZENS ARE ALSO CONCERNED ABOUT DRUG DEALING AND BURGLARIES, AND CITIZENS EXPECT POLICE OFFICERS TO BE PROMPT, RESPECTFUL AND THOROUGH IN DEALING WITH CALLS FROM CITIZENS. OUR NEW POLICE MANAGEMENT TEAM HAS A NEW PLAN OF ACCOUNTABILITY AND PERFORMANCE TO MANAGE FOR RESULTS. WE RETAINED PUBLIC FINANCIAL MANAGEMENT TO HELP US DEVELOP INITIATIVES TO IMPROVE THE MANAGEMENT OF THE FORCE WE HAVE. IN FACT, WE ESTIMATE THE SAVINGS IMPACT OF THEIR RECOMMENDATIONS, IN THE NEXT FISCAL YEAR ALONE, WILL BE \$5 MILLION. AND OVER THE NEXT FOUR YEARS, WE HAVE A POTENTIAL SAVINGS IMPACT OF \$32 MILLION.

ONE RESULT OF PFM'S WORK WILL BE TO ASSIGN CIVILIANS TO ADMINISTRATIVE POSITIONS WHICH WILL ALLOW US TO RETURN MORE THAN 50 OFFICERS TO ENFORCEMENT, PUTTING MORE OFFICERS ON THE STREETS FIGHTING CRIME. EXPECT ALSO TO SEE AN INCREASE IN COMMUNITY POLICING STRATEGIES. IN THE CIP WE HAVE INCLUDED THREE NEW

PRECINCTS, WITH THE CENTRAL PRECINCT SCHEDULED FOR CONSTRUCTION DURING THE UPCOMING FISCAL YEAR.

THIS YEAR WE WILL INTRODUCE A JUVENILE SQUAD TO HELP US POLICE CRIMINAL ACTS BEING COMMITTED BY YOUNG PEOPLE. THIS IS PRUDENT AND NECESSARY. BUT THE STORY OF OUR YOUNG CITIZENS IS SO MUCH RICHER THAN THE ONE WE MOST OFTEN READ ABOUT OR HEAR ABOUT. EVEN WITH MY BACKGROUND AS AN EDUCATOR, I AM STILL RENEWED BY THE PROMISE THEY SHOW.

THAT'S WHY WE WILL CONTINUE OUR SUMMER YOUTH INITIATIVE TO EMPLOY 1500 YOUNG PEOPLE IN JOBS RANGING FROM PARKS DIVISION SUMMER CAMP ASSISTANTS TO JOBS HERE IN OUR LEGAL AND FINANCE DIVISIONS. IT IS IMPERATIVE THAT WE BUILD A MEMPHIS THAT OUR YOUNG PEOPLE WITH CHOICES WILL CHOOSE TO LIVE IN. THEY NEED TO BE MADE A PART OF THE POSITIVE THINGS GOING ON HERE AS OFTEN AND AS FULLY AS POSSIBLE.

MEMPHIS CAN ONLY BE AS STRONG AS ITS NEIGHBORHOODS. AND WE ARE WORKING ON MANY FRONTS TO INSURE THAT OUR NEIGHBORHOODS ARE STRONG. IN THE HOUSING AND COMMUNITY DEVELOPMENT DIVISION, WE CONTINUE TO PROVIDE DOWN PAYMENT ASSISTANCE TO HOME BUYERS. IN THE PAST 10 YEARS, WE'VE HELPED MORE THAN 10,500 FAMILIES PURCHASE HOMES THROUGH OUR DOWN PAYMENT ASSISTANCE PROGRAMS. BUT JUST AS IMPORTANT, WE HAVE STRENGTHENED THE TAX BASE OF THE CITY AND ASSISTED OUR CITIZENS IN REALIZING THEIR HOME OWNERSHIP DREAMS.

WE ARE ALSO AGGRESSIVELY STEPPING UP OUR SUPPORT FOR COMMUNITY DEVELOPMENT CORPORATIONS. THEY ARE OUR PARTNERS IN NEIGHBORHOOD BUILDING IN ORANGE MOUND, FRAYSER, VOLLINTINE-EVERGREEN, GLENVIEW, LEMOYNE-OWEN B ALL OVER THE CITY -- AND WE NEED TO DO ALL THAT WE CAN TO INCREASE THEIR ABILITY TO BUILD NEW HOUSES, REDEVELOP COMMERCIAL CORNERS AND BRING RENEWED LIFE AND HOPE TO NEIGHBORHOODS.

BUT SIMPLY BUILDING NEW HOUSES AND REVITALIZING SMALL BUSINESSES AND SUPPORTING HOME OWNERSHIP IS NOT ENOUGH TO MAKE OUR NEIGHBORHOODS STRONG. WE MUST ALSO PAY ATTENTION TO THE LITTLE THINGS LIKE LITTER CONTROL, CLEANING UP VACANT LOTS, CODE ENFORCEMENT, AND STREET PAVING. WE HAVE RENEWED FOCUS ON EACH OF THESE AREAS IN THIS BUDGET. WE WILL TARGET 100 CITY BLOCKS FOR MAJOR CLEAN-UP THIS YEAR AND ANOTHER 100 CITY BLOCKS NEXT YEAR.

WE HAVE COMMITTED \$9 MILLION, OUR LARGEST COMMITMENT EVER, TO STREET PAVING. IN FY 2002, WE WILL PAVE MORE THAN 200 MILES OF OUR 2,254 MILES OF CITY STREETS.

NONE OF THESE GOOD THINGS COULD HAPPEN WITHOUT OUR EMPLOYEES. WE HAVE BUDGETED A 3 PERCENT INCREASE FOR THEM NEXT YEAR. AS WE CONTINUE TO UPGRADE THE SYSTEMS THAT SUPPORT OUR PERSONNEL, WE WILL ADD A NEW OFFICE OF TESTING AND RECRUITMENT TO HELP US RECRUIT, HIRE AND PROMOTE THE BEST CANDIDATES.

I WANT TO TAKE SPECIAL NOTE OF TWO ITEMS IN OUR CIP THAT ARE CRITICAL TO THE WORK OF CITY-BUILDING. THE FIRST IS THE \$20 MILLION WE HAVE BUDGETED FOR SCHOOLS IN THE HICKORY HILL NEIGHBORHOOD. AS YOU KNOW, SCHOOLS HAVE ALWAYS BEEN MY FIRST PRIORITY. THAT'S WHY THE FIRST BUDGET I EVER PRESENTED TO THIS COUNCIL BACK IN 1993 HAD THE LARGEST SINGLE COMMITMENT TO SCHOOLS EVER MADE BY THIS CITY -- \$100 MILLION. I AM HAPPY TO REPORT THAT THE NEW SCHOOL YEAR WILL BEGIN WITH EVERY CITY SCHOOL CHILD AND EVERY CITY SCHOOL TEACHER IN AN AIR-CONDITIONED SCHOOL BUILDING.

THE SECOND ITEM IN THE CIP I WANT TO POINT OUT IS A DIRECT CITY COMMITMENT OF \$10 MILLION OVER FIVE YEARS FOR OUR PUBLIC TRANSPORTATION SYSTEM. THE PLAN TO EXTEND A RAIL LINE THROUGH THE CITY AND SOUTH TO THE AIRPORT IS ABOUT TO ENTER PHASE II, AND IT IS IMPORTANT TO KEEP THE MOMENTUM GOING. I KNOW THAT MANY PEOPLE BELIEVE MEMPHIANS WILL NEVER ABANDON THEIR CARS TO RIDE RAIL. WELL, WE DON'T EXPECT THEM TO. NOT ALL OF THEM. BUT WE DO EXPECT RAIL TO HELP ALLEVIATE TRAFFIC CONGESTION, IMPROVE AIR QUALITY, AND GIVE

PEOPLE A CONVENIENT, AFFORDABLE ALTERNATIVE TO PRIVATE AUTOMOBILES.

THIS WILL BE AN EXCITING YEAR FOR MEMPHIS CULTURALLY. OUR BEAUTIFUL NEW MAIN LIBRARY ON POPLAR WILL OPEN THIS FALL, AND OVER THE NEXT SEVERAL YEARS, WE WILL ADD BRANCH LIBRARIES IN WHITEHAVEN, CORDOVA, AND PARKWAY VILLAGE AND EXPAND THE HOLLYWOOD BRANCH. TWO NEW COMMUNITY CENTERS WILL OPEN, ONE IN HICKORY HILL, ONE IN CORDOVA. GALLOWAY GOLF COURSE AND CLUBHOUSE WILL ALSO OPEN THIS FALL, AND THE LONG-AWAITED RENOVATION OF THE WHITEHAVEN GOLF COURSE WILL BEGIN. CITIZENS CONTINUE TO RATE THE ZOO, THE PINK PALACE AND THE BOTANIC GARDENS AS AMONG THE BEST PROGRAMS IN THE CITY, AND THEY ARE ALL INCLUDED IN OUR CIP.

ANOTHER EXCITING CULTURAL DEVELOPMENT IS THE CREATION OF THE RIVERFRONT DEVELOPMENT CORPORATION. AS YOU KNOW, WE HAVE MOVED RESPONSIBILITY FOR MANAGING, MAINTAINING, PROMOTING, AND DEVELOPING OUR RIVERFRONT TO THIS UNIQUE, PUBLIC-PRIVATE PARTNERSHIP. FOR THE FIRST TIME IN OUR HISTORY, WE HAVE ONE PUBLIC-SPIRITED ORGANIZATION WHOSE ONLY JOB IS TO FOCUS ON MAKING OUR RIVERFRONT WORLD-CLASS. THIS IS A DREAM WE'VE SHARED FOR A LONG TIME, AND I BELIEVE THIS IS THE YEAR WHEN WE WILL SEE REAL PROGRESS BEING MADE TOWARD REALIZING OUR DREAM.

AND, OF COURSE, THERE IS THE NBA ARENA, WHICH HAS BEEN ADDED TO THE CIP. A RECENT STUDY AUTHORIZED BY THE CHAMBER OF COMMERCE REPORTED THAT THE ECONOMIC IMPACT OF A NEW NBA ARENA WOULD EXCEED \$950 MILLION DOLLARS. THE NBA ARENA IS NOT THE ONLY THING IN OUR BUDGET. IT IS NOT EVEN THE MOST *IMPORTANT* THING IN OUR BUDGET. BUT IT IS ONE MORE PIECE OF WHAT WE MUST DO TO MAKE MEMPHIS A CITY OF CHOICE.

THAT IS OUR VISION: TO BE RECOGNIZED GLOBALLY AS THE CITY OF CHOICE IN WHICH TO LIVE, LEARN, WORK AND PLAY. THAT IS NOT A SLOGAN.

IT IS NOT SOME COPYWRITER'S INVENTION. AND IT WASN'T WRITTEN IN THE LAST SIX WEEKS TO ACCOMMODATE ANY CURRENT EFFORT.

IT IS, INSTEAD, A VISION THAT HAS GROWN OUT OF A PROCESS WE'VE HAD UNDERWAY FOR EIGHT YEARS. IT IS THE RESULT OF A LOT OF STUDY, THOUGHT, AND DEBATE ABOUT WHERE WE WANT TO TAKE OUR CITY—THE KIND OF CITY WE OUGHT TO BUILD—THE KIND OF CITY WE WANT TO LEAVE FOR OUR CHILDREN.

YOU'VE HEARD ME SAY, “OUR BEST DAYS ARE AHEAD OF US.” AND I MEAN THAT. I BELIEVE THAT. NOT BECAUSE FATE WILLS IT. BUT BECAUSE WE ARE COMMITTED. WE ARE DETERMINED. AND WE ARE GOING TO DO WHATEVER IT TAKES TO MAKE MEMPHIS A CITY OF CHOICE.

WE ARE COMMITTED TO BUILDING A FIRST-RATE SCHOOL SYSTEM, ONE THAT PRODUCES THE KIND OF GRADUATES WE NEED TO STAFF GOOD PAYING JOBS AND BE PRODUCTIVE CITIZENS. WE ARE COMMITTED TO MAKE MEMPHIS A SAFE CITY, ONE WHERE WE CAN ALL FEEL PROTECTED IN OUR HOMES AND ON OUR STREETS. WE ARE COMMITTED TO MAKE MEMPHIS A CLEAN CITY, ONE THAT IMPRESSES VISITORS AND RESIDENTS ALIKE.

WE ARE COMMITTED TO MAKE MEMPHIS A CITY VIBRANT WITH CULTURAL AND RECREATIONAL AMENITIES BECAUSE WITHOUT THEM THE CITY WOULD SURELY BE A DULL, UNINSPIRING PLACE. AND, YES, WE ARE COMMITTED TO BUILDING A NEW ARENA, BECAUSE UNLESS WE MOVE FORWARD, WE ARE MOVING BACKWARD.

SOME PEOPLE SAY MEMPHIS CANNOT AFFORD PROGRESS. I SAY MEMPHIS CANNOT AFFORD THAT KIND OF THINKING. TODAY, WE PRESENT TO YOU AND THE CITIZENS OF MEMPHIS A BUDGET THAT EMBRACES PROGRESS WHILE TAKING GOOD CARE OF THE BASIC, FUNDAMENTAL WORK OF CITY GOVERNMENT. AND WE'RE DOING IT IN A FISCALLY SOUND MANNER THAT DOESN'T REQUIRE A TAX INCREASE OR A DRAW ON OUR RESERVES.

MEMPHIS' BEST DAYS *ARE* AHEAD. BUT ONLY IF WE SEIZE THE OPPORTUNITIES WE HAVE *RIGHT NOW* AND ACT WITH COURAGE AND

CONVICTION. WE CAN MAKE MEMPHIS A CITY OF CHOICE. AND WHEN WE DO, WE WILL HAVE EARNED OUR PLACE IN HISTORY, AND OUR CITY AND OUR CITIZENS WILL BE RICHER FOR IT.